



Policy brief

Taking stock of Just Energy Transition Partnerships

A review of Just Energy Transition Partnerships in South Africa, Indonesia, Vietnam and Senegal, and prospects for country sector platforms

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Key messages

Just Energy Transition Partnerships (JET-Ps) aim to support transitions away from coal and stimulate investment in renewable energy. However, their implementation has been slower than hoped in each of the four countries in which they have been launched: South Africa, Indonesia, Vietnam and Senegal.

Greater alignment between ‘top-down’ and ‘bottom-up’ perspectives and interests is crucial. Connecting domestic concerns with international climate goals, and forming credible agreements between a national government, communities and interest groups, and with major international partners, is a major challenge across all JET-Ps.

Rapid closures of coal mines and coal-fired power plants are very difficult in countries with significant dependence on coal. They pose severe political economy challenges, compounded by conditions of inequality and coal industry dominance. Retiring coal plants is made particularly complicated in countries with ‘captive’ power plants, which generate power exclusively for connected industries or where use of coal-fired power plants is tied legally to government contracts with foreign investors.

Pledged finance in the four JET-Ps does not match the size of investment needed, and JET-P countries have struggled to leverage private sector finance. Countries have estimated they need around 10 times the amount currently pledged by JET-P international donors. Many international private investors seek blended finance to de-risk their investments, but concessional finance has not yet targeted this gap sufficiently. Project-level blended private finance is hard to develop and limited in scale, and many of the barriers to attracting institutional capital remain stubbornly in place.

JET-Ps have helped to embed the idea of justice in energy transitions, which in turn has encouraged the definition and implementation of more equitable and sustainable energy transitions, but the ‘just’ element remains underdeveloped in planning and practice.

Until the JET-P model has had time to take effect and be judged a success, there are unlikely to be many or any more JET-Ps taking the form of high-profile political announcements. But there could be further investment programmes for Just Transitions where multilateral development banks (MDBs) collaborate with governments. These could be in energy or other sectors.

‘Country platforms’ at the sectoral level offer a means of building on the ambition and experience of JET-Ps in other countries and sectors. These would be collaborative initiatives bringing together MDBs and bilateral development finance institutions with government departments, the national development bank and other key players to prepare and implement sectoral investment programmes. The experience so far with JET-Ps shows that political and technical engagement need to happen in parallel, working with and sometimes around diverse interests. There is value in bringing in the private sector at the design stage. Sectors in which country platforms might be appropriate include energy (as in JET-Ps) and other climate-related fields such as transport, agriculture, water as well as for adaptation. Country sector platforms could have a particular role in generating investment plans able to inform the new Nationally Determined Contributions (NDCs) required for COP30 in 2025.

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About this publication

This Policy Brief is part of an ODI project analysing the Just Energy Transition Partnerships (JET-Ps) in South Africa, Indonesia, Vietnam and Senegal, and the prospects for similar approaches to mobilising programmatic financing for climate-resilient transformation elsewhere.

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Acronyms

ACT	Accelerating Coal Transition
ADB	Asian Development Bank
ANC	African National Congress
CBAM	Carbon Border Adjustment Mechanism
COP	Conference of the Parties for the United Nations Convention on Climate Change
CFPP	Coal-fired power plants
CIF	Climate Investment Fund
CIPP	Comprehensive Investment and Policy Plan
CTF	Clean Technology Fund
DFI	Development Finance Institution
ETM	Energy Transition Mechanism
GDP	Gross domestic product
GFANZ	Glasgow Financial Alliance for Net Zero
GHG	Greenhouse gas
GW	Gigawatt
G7	Group of Seven
IPG	International Partners Group
JET-P	Just Energy Transition Partnership
JET IP	Just Energy Transition Partnership Implementing Plans
MDB	Multilateral development bank
MTCO₂e	Metric tons of carbon dioxide equivalent
NAP	National Adaptation Plan
NDC	Nationally Determined Contribution
NWFE	Nexus of Water, Food and Energy Program of Egypt
OECD	Organisation for Economic Co-operation and Development
PCC	Presidential Climate Commission
PTSMI	National development bank of Indonesia
RMP	Resource Mobilization Plan
SDGs	Sustainable Development Goals

1 Introduction

Just Energy Transition Partnerships (JET-Ps) are international programmes aimed at supporting emerging and developing economies to phase out coal power generation, scale up renewable energy and develop green industries, in a manner that takes into account the human impact of transition regionally and nationally. JET-Ps offer a means to connect international and national interests and finance on energy transition. They have also attracted significant attention as a potential means of accelerating global emissions reduction, and as a spur for governments to ask for similar support linked to other national priorities.

One key component which distinguishes JET-Ps from other approaches to mobilising climate investment is that they aim to incorporate a ‘just’ approach. They reflect the idea that justice cannot be an afterthought of energy transitions, but must be integrated across all planning and implementation, using a multi-level understanding of the equitable distribution of costs and benefits and fair decision-making processes.

Two years on from the announcement of the first JET-P, this policy brief provides a stocktake on progress. It describes the aims of JET-Ps, identifies the main challenges involved in implementing them and provides a perspective on next steps. Four JET-Ps have so far been announced: in South Africa, Indonesia, Vietnam and Senegal. In each case an international group of donor countries, MDBs and private sector institutions have committed to work together to support a joint investment programme.

Our analysis has identified five main challenges across the four countries: i) implementation of a large-scale energy investment programme is slow work, especially when the initial agreements are rushed; ii) alignment between diverse and multi-level interests is necessary but difficult; iii) rapid coal mine and coal-fired powerplant (CFPP) closures are particularly difficult in countries with significant dependence on coal; iv) pledged finance does not match the size of investment needed, and there are particular challenges in leveraging sufficient private sector finance; and v) the ‘just’ dimension of JET-Ps remains under-developed and poorly funded.

This policy brief highlights the need to align major transformational agendas with programmatic financing. It also emphasises the importance of minimising the negative effects of the energy transition, especially on workers, and creating viable low-carbon alternative livelihoods for communities dependent on coal-based energy systems. It contextualises and explains the significant blockages faced in trying to mobilise private sector finance. Finally, the brief highlights ongoing progress by a number of MDBs in developing programmatic financing mechanisms. These suggest the potential for future initiatives in other countries with similar goals to JET-Ps.

2 What are JET-Ps?

2.1 The international context of JET-Ps

The idea of a new type of Western government support for green infrastructure programmes in emerging and developing economies first emerged at the G7 Summit in the UK in June 2021. Originally proposed by British Prime Minister Boris Johnson, it was announced by US President Joe Biden as the ‘Build Back Better World Partnership’ and adopted in the Summit communique (The White House, 2021; UK Government, 2021).

The impetus behind the proposal was two-fold. On the one hand, Western governments wanted to help the largest emerging and developing economies transition away from coal-fired power generation to help achieve global climate goals. On the other hand, they wanted to make an offer of financial assistance which could act as an alternative to the Chinese Belt and Road Initiative (BRI). This geopolitical aim was never stated, but it had been clear for some time that Western countries were concerned about Chinese political influence in the global South and wanted a counter-offer to the BRI.

Negotiations with the governments of South Africa and Indonesia, two of the largest coal-dependent emerging economies, began soon after the G7 Summit. At South African insistence, the core idea became a *just* energy transition, rather than simply an energy transition (Fakir, 2023). This picked up the idea of ‘just transition’ first developed by the international trade union movement and subsequently taken up by a variety of union, climate and justice groups (ITUC, 2009; Azzi, 2021).

A just transition means a shift towards a decarbonised, climate-resilient economy and society carried out in such a way that the rights and livelihoods of low-income, indigenous and adversely affected groups are protected and supported. South Africa has over 90,000 coal miners: its government argued that only if they and their communities were supported by the transition programme would it have any chance of winning popular support. The term ‘just energy transition’ was the result.

JET-Ps were intended to be high-profile commitments. Three were announced at heads of government meetings with speeches and handshakes in front of the global media.

2.2 The four JET-Ps to date

2.2.1 South Africa

The first JET-P was announced at COP26 in November 2021 between South Africa and a consortium of donor countries (the United States, the European Union, the United Kingdom, France and Germany), committing to financing streams that could reach an initial \$8.5 billion for South Africa's just energy transition.

South Africa has since received additional pledges of \$3.5 billion from Denmark, the Netherlands and Spain, focusing on investment by the domestic private sector, mostly in new energy generation (Sguazzin, 2023). In October 2023 the World Bank announced it would add \$1 billion, pushing South Africa's JET-P funding to \$11.9 billion (World Bank, 2023b).

Approximately 90% of South Africa's electricity generation relies on coal: it is the largest emitter of CO₂ in Africa, and the second most carbon-intensive economy in the world (Mirzania et al., 2023; Nel, Marais and Mqotyana, 2023). Conversely, it boasts the largest solar capacity in Africa and the highest national electrification rate in sub-Saharan Africa (Winkler et al., 2017).

South Africa published its Just Transition Framework in June 2022 and its Just Energy Transition Investment Plan in November 2022 (The Presidency, 2022). Its aim is to decommission eight CFPPs: six by 2030 and the remaining two by 2034 (The Presidency, 2022). The JET-P Implementation Plan (JET IP) estimates that South Africa needs over \$98 billion over the next five years to implement its Just Energy Transition, which, to avoid unsustainable debt, it argues should come in the form of grants or highly concessional loans. The Implementation Plan sets out an economic development pathway driven by renewable energy. It aims to create good employment, build new green industries such as electric vehicle manufacture and reduce energy inequalities, as well as addressing ongoing problems of reliable energy supply (Hägele, Iacobuță and Tops, 2022; The Presidency, 2022; Xaba, 2023).

2.2.2 Indonesia

The Indonesian JET-P, announced at COP27 in November 2022, is an agreement between the government of Indonesia and an International Partners Group (IPG) comprising the US and Japan as joint leads, along with the UK, Germany, France, the EU, Canada, Italy, Norway and Denmark. At \$20 billion, the Indonesian JET-P financing pledge is the largest of the four programmes. The Comprehensive Investment and Policy Plan (CIPP) for Indonesia aims to reach peak on-grid power sector emissions of 250MTCO₂e, and for 44% of on-grid power generation to come from renewable energy by 2030. MDBs and bilateral donors have pledged to contribute a total of \$11.5 billion to the plan, with the rest anticipated to come from the Glasgow Financial Alliance for Net Zero (GFANZ) members, a consortium of private financial institutions (CIPP, 2023).

Indonesia has abundant supplies of coal, 80% of which it exports, and about 60% of the country's electricity generation capacity relies on CFPPs. As Indonesia's GDP is projected to double roughly every 15 years, carbon emissions will likely surge without a successful energy transition (World Bank, 2023a).

A significant proportion of CFPPs are not connected to the grid. Instead, they are 'captive' power plants, generating power exclusively for the industries to which they are connected. Although most of the captive plants support heavy industrial facilities, notably the processing of critical minerals like nickel that are vital for global energy transitions (CIPP, 2023), and their number is planned to more than double. The first phase of the JET-P did not include these captive plants but will focus instead on grid capacity – both for peak emissions and renewable energy targets (CIPP, 2023).

2.2.3 Vietnam

The Vietnam JET-P aims to mobilise at least \$15.5 billion over the next 3–5 years, half in the form of private finance and half international public finance (European Commission, 2022). The IPG comprises all seven G7 countries plus the EU, along with Denmark and Norway. They have pledged to mobilise \$7.75 billion in public sector financing for Vietnam at more attractive terms than private capital markets. As in the Indonesian JET-P, GFANZ pledged simultaneously to work closely with the IPG and the government of Vietnam to raise at least an additional \$7.75 billion in private financing (GFANZ, 2022).

Vietnam is among the world's largest and most heavily dependent users of coal (Dorband, Jakob and Steckel, 2020). It has pledged to update its decarbonisation targets including: i) power sector CO₂ emissions to peak in 2030 instead of 2035 and at 170 Mt instead of 240 Mt; ii) limiting coal power capacity to 30.2 GW by 2030 from a projected 37 GW; and iii) increasing renewable sources to account for at least 47% of electricity production in 2030.

Vietnam's power sector already attracts both domestic private investors and investors from overseas, including South Korea, China and a number of ASEAN and Middle Eastern countries. There is a pipeline of energy sector reforms under development by the national government that could give additional support to the expansion of the renewable energy sector.

2.2.4 Senegal

Senegal's JET-P was announced at the Summit for a new Global Financing Pact in Paris in June 2023. Backed by France, Germany, the EU, the UK and Canada, it aims to mobilise \$2.74 billion in finance to develop renewable energy and speed up the country's transition to a low-carbon economy (European Commission, 2023). The majority of this will be provided through preferential loans, while approximately \$163 million will be provided through grants. Senegal has set a target of 40% of installed capacity from renewables by 2030, up from about 30% now (Sarr et al., 2023).

Unlike South Africa, Indonesia and Vietnam, Senegal is a very small emitter of greenhouse gas (GHG) and does not mine or use much coal. It relies on fossil fuel imports from abroad, with one of the highest electricity prices in Africa (IEA et al., 2021; van den Bold, 2022). The JET-P does not include support for exploitation of newly discovered gas reserves in the country, but is instead scoped to include investments in renewable energy and the infrastructure to enable it, including electricity storage and measures to improve the stability of the electricity grid (BMZ, 2023).

3 Main challenges across the JET-Ps

3.1 Implementation has been slower than hoped

Across the first three JET-Ps, announced in 2021 and 2022, initial implementation has been slower than hoped. But this should not be a surprise. The political drive to secure JET-P agreements in time for significant high-profile events where the announcement could be made did not allow time for more detailed coordination at the technical, bureaucratic or societal levels. This inevitably left a great deal to be done in the period after the announcements. The Indonesian secretariat was established only in February 2023, three months after the JET-P was announced; it was expected to deliver the Implementation Plan within just six months (US Embassy and Consulates in Indonesia, 2023). At the same time the relationship between IPG and GFANZ finance was unclear, which likely contributed to delays (Nangoy and Vu, 2023). Neither South Africa nor Senegal held any public consultations on the just energy transition until after their respective agreements had been signed (PCC, 2022). South Africa's subsequent consultation process was broad and complex, but this inevitably made tangible progress slow (Fakir 2023). Senegal has agreed to produce an investment plan within 12 months (EIB, 2023).

Effectively, to achieve the announcement deadlines, many of the details had been left for later. Yet it is almost certainly also true that the implementation plans would not have been produced so quickly without the pressure of the high-level agreements. So there is a tension to be managed between the political drive for speed and the time it takes to build well-thought-through and comprehensive investment plans.

In reality JET-Ps are dealing with an implementation window of more like 10–20 years than the five-year timeframe implied by some of the political announcements. This is not primarily due to technical challenges: many renewable energy projects require less than a two-year build time after financial closure. Even complex individual projects, such as the Eskom Just Energy Transition Project (EJETP) in South Africa, which will replace the 57-year-old Komati CFPP with a combination of renewable energy and battery storage, can in principle happen rapidly once agreed (World Bank, 2023c). But the planning process for such projects, involving the wider financial, social and political dimensions of a just energy transition, will almost inevitably make progress slower than hoped.

3.2 Aligning diverse interests

Being able to connect domestic concerns with international climate goals in a credible agreement between a national government and its major donor partners is a substantial challenge for all JET-Ps. A key dimension in this regard is aligning 'bottom-up' and 'top-down' imperatives, where local-level, national and international interest diverge substantially.

The South African JET-P stands out for its potential alignment of national and international goals (Fakir, 2023; Hadley et al., 2022). The deal reflects a commitment from President Cyril Ramaphosa, supported by his Cabinet, to undertake reforms and make investments that will address the serious problems in the South African energy sector and simultaneously reduce emissions. Understood from the South African perspective, the JET-P offers a novel way of translating NDCs into real economy climate investments (Fakir, 2023). The agreement builds on decades of national debate on the future of South Africa's energy system, including widespread public frustration with bail-out costs for the national energy provider, Eskom, at a time of general fiscal and economic stress (Hadley et al., 2022). Domestic support is highly contested. At the same time, the JET-P has been buoyed by South Africa's recently passed Climate Change Bill, which includes provisions for a just transition to a low-carbon and climate-resilient economy and society (Republic of South Africa, 2023).

Securing bottom-up buy-in from the wide range of stakeholders affected by energy transition – including those with strong stakes in the incumbent system, workers who may see their jobs at risk and low-income and indigenous communities – will be particularly challenging across all JET-Ps. There are inevitably winners and losers in any energy transition, which makes it both highly politicised and contested. Successful JET-Ps will ultimately depend on building consensus among national partners. Outsiders (including international donors) are poorly placed to navigate vested domestic interests, and set appropriate conditionalities for deals with such far-reaching aims (Hadley et al., 2022). Yet aligning diverse interests at all levels has often been made more difficult by the speed at which JET-P negotiations were conducted.

3.3 Rapid closure of coal plants and coal mines is difficult

New coal plants are now more expensive than solar and wind power across most of the world, and in many major markets new renewable energy sources are cheaper than the running costs of coal plants. Coal-powered energy provision will therefore inevitably decline, and large numbers of coal mines will close (Adrian, Bolton and Kleinnijenhuis, 2022). However, rapid closure of CFPPs and mines at the pace envisaged by JET-Ps presents substantial challenges, due to the huge reduction entailed in production and employment in the coal industry. In parts of South Africa workers and unions in the coal industry are now actively campaigning against the JET-P, while some analysts are arguing that the apparent costs/benefits are more complex than anticipated (Lenferna, 2023; Marais et al., 2023; Nel, Marais and Mqotyana, 2023).

Retiring coal plants is made particularly complicated in countries where governments sign contracts with foreign investors agreeing to use the CFPPs for the duration of their lifespan no matter how cheap alternative energy sources become. Market forces alone therefore cannot replace these plants with cheaper renewables.

Indonesia has significantly more generation capacity than it will need for several years (World Bank, 2023a). Most of its CFPPs are young, and some are contracted with foreign investors to run for their entire life (ADB, 2023a). Decommissioning CFPPs is therefore both more important, and yet more difficult in Indonesia.

The Asian Development Bank (ADB) launched an Energy Transition Mechanism (ETM) in 2021 to support the retirement of coal plants and their replacement with renewables, using concessional and commercial capital (ADB, 2023b). Indonesia's ETM Country Platform will play a central role in managing JET-P finance and accounts for 22% of the \$11.5 billion IPG funds proposed in the CIPP (CIPP, 2023). It aims to offer financial products to incentivise owners of CFPPs to close them down early.

'Early' does not, however, mean 'now'. Importantly, the process of mine closure is not just about the technical and financial challenge of retiring coal power plants. It must also include the creation of viable low-carbon economies to minimise the negative consequences of transition on affected communities and to support the development of viable alternative livelihoods. For South Africa, the impact of mine closure on the 2.5 million residents of 69 'host' communities will be significant unless they are substantially compensated through intervention measures, particularly as levels of income, employment and education are already very low and many municipalities are in financial distress (Cole, Mthenjane and van Zyl, 2023).

Energy transition is particularly complicated when CFPPs are not connected to the grid, but are 'captive' plants generating power exclusively for the industries to which they are connected. A significant proportion of CFPPs in Indonesia are of this kind. Most of the captive plants support heavy industrial facilities, notably the processing of critical minerals such as nickel that are vital for global energy transitions (CIPP, 2023). The remote locations of these plants means gas pipeline infrastructure would be very expensive and renewable technologies do not always match the technical requirements of the industry.

3.4 Pledged finance does not match needs, and mobilisation of private finance is difficult

The success of the JET-Ps is premised on the mobilisation of extremely large volumes of different types of public concessional and private finance. The importance of this mobilisation is clear from the difference between the pledges made by the international partners and the JET-P needs assessments conducted by the country governments. The IPG have pledged \$8.5 billion for the South Africa JET-P, but financing needs are estimated at \$98.7 billion between 2023–2027 (The Presidency, 2022). The Indonesian CIPP estimates that the five JET-P investment focus areas will need at least \$96.1 billion over 2023–2030, compared to the \$11.5 billion offered by the IPG. The headline \$20 billion figure includes the GFANZ contribution which is itself supposed to be mobilised by the IPG contribution (CIPP, 2023). IPG members hope that private finance will fill these gaps.

The challenges of leveraging private finance are not unique to JET-Ps. At the project level, there needs to be an adequate pipeline of ‘bankable’ energy transition projects, which are in short supply in many countries. There must also be a sufficiently secure enabling environment to attract overseas investment. Where this does not exist, donors have suggested packages of domestic reform. To attract large-scale institutional investment, projects need to be bundled together to provide a large enough package – which can then be sliced up to cater to different risk appetites. Ultimately, investments must deliver risk-return profiles that make them attractive in comparison to other investment opportunities worldwide.

‘Blended finance’ involves using concessional public finance to reduce the risk a private actor faces when investing in a specific project or product and thus make it more attractive (Attridge and Engen, 2019). This can address some of the challenges in specific cases. However, in the Indonesian JET-P the pledges of concessional finance from IPG members are already primarily allocated to improve the enabling environment and project preparation facilities, and little remains to de-risk and attract private finance from GFANZ members.

National development banks can often play a role in both developing the project pipeline and in packaging financial products. But so far the scale has not matched the need (Attridge, Getzel and Gilmour, 2023) and JET-Ps have not yet managed to overcome these longstanding barriers.

3.5 The ‘just’ dimension remains under-developed

One key dimension which distinguishes JET-Ps from other types of climate investment programmes is the explicit commitment to a ‘just’ approach. This recognises that justice cannot be an afterthought of energy transitions but must be integrated across all their planning and implementation processes, with a multi-level understanding of the equitable distribution of costs and benefits and fair decision-making processes (Bang, Rosendahl and Böhringer, 2022; Siciliano et al., 2021). JET-Ps hold the promise that climate transitions will include a reduction in inequality through inclusive low-carbon growth and not simply a shift away from fossil fuels (Velicu and Barca, 2020).

South Africa was one of the first countries to incorporate the just transition notion into its NDC (Fakir, 2023). Seeking to ensure that benefits and burdens are shared, the South African JET IP notes that just energy transition interventions need to consider, for example, workers at direct risk from energy transition changes, workers indirectly affected through associated value chains, economic activity in affected regions, local communities who may bear the brunt of environmental and social externalities, and small medium and micro enterprises and the self-employed (The Presidency, 2022).

Yet arguably none of the JET-Ps has so far generated concrete plans for how they can contribute to the ‘just’ element (Jakob and Martini, 2023). For instance, the South African JET IP outlines the key priorities and investment requirements for a just transition in individual coal communities,

but it falls short of specifying measures detailing how developing renewable energy resources will absorb displaced coal workers (Seiler, Brown and Matthews, 2023), or how coal mining communities could own and benefit from the construction and operation of renewable energy technologies (Lenferna, 2023).

Although some of the JET-P priorities are focused on specific coal communities (Jakob and Martini, 2023), the transition will have wider impacts on society through likely electricity tariff increases. However, in the South African JET IP, critics note that there are no provisions to address these negative impacts (such as through cash transfer programmes for low-income households), and no metrics to measure and monitor them (Seiler, Brown and Matthews, 2023).

It is also not clear how the ‘just’ element will be funded. The South African JET IP shows that only a small portion of the IPG pledges are going towards justice-related elements of the plan, such as skills development, economic diversification and innovation, and social investment and inclusion. Concerns have been expressed that philanthropic institutions are expected to fund and implement the justice elements, when this is neither guaranteed nor universally regarded as acceptable (Wemanya and Opfer, 2022). Civil society organisations in South Africa have expressed concern that the JET-P may be captured by political elites; many have called for stronger local-level safeguards to ensure meaningful social, economic and ecological justice for the communities most affected by the energy transition (Lenferna, 2023).

While the South African JET-P has been most vocally criticised by civil society organisations for the under-development of its justice components, this may mainly reflect the strength of South African civil society. It is not clear that the justice dimension will be better developed in the other three countries. Investment plans for Vietnam and Senegal have yet to be released. The Indonesian JET-P includes a Just Transition working group, which lays out a Just Transition framework against which the JET-P secretariat intends to assess all transition activities before they are deemed feasible, but this lacks detail. Many of the targets and accountability mechanisms have yet to be decided.

4 What next?

4.1 MDB initiatives

There are unlikely to be many more JET-Ps in the form so far announced. Both the number of countries with potential for large-scale coal phase-down, and the appetite among the international partners for significant financing commitments, appear limited. However, there is potential for other just transition investment programmes drawing on key JET-P elements.

At COP27 in November 2023, the final agreed text challenged the MDBs to improve their contribution to fighting climate change. Since then, the MDBs have been meeting to consider how they can do this and are expected to report back at COP28.

A prominent idea is for all MDBs and other actors to work through ‘country platforms’ (Sembene, Lee and Plant, 2022). These would bring together all stakeholders, including MDBs, bilateral funders, government departments, the national development bank, the private sector and other key players to prepare and implement a goal-focussed programmatic investment programme.

A programmatic approach means that finance (of the necessary types) and from multiple sources is made available for a bundle of complementary or coordinated actions, prioritised and sequenced to support a common goal, rather than just allocated to discrete projects (Hadley et al., 2022; Jones and Lawson, 2000).

In principle a country platform could cover multiple sectors, but platforms focused on individual or closely related sectors look more practicable. In the climate field these could include energy, transport and water as well as for adaptation. Country sector platforms could provide the basis for more detailed investment plans which could both implement existing NDCs under the Paris Agreement process and help prepare new ones for COP30 in 2025.

In the South African case programmatic financing has already demonstrated potential to be a structurally significant way to turn NDC ambitions for both mitigation and adaptation into climate finance opportunities – from which other sources of finance can then flow (Fakir, 2023).

Egypt’s Country Platform, launched in July 2022, for the Nexus of Water, Food and Energy (NWFE), could provide an alternative model. It aims to deliver on key elements of an energy transition comparable to a JET-P, with an estimated total cost of \$14.7 billion. The energy transition goal is to deliver renewable energy projects with a combined capacity of 10 gigawatts, replacing 10 thermal power plants (IFAD, 2022; Ministry of International Cooperation of the Government of Egypt, 2022). According to the Egyptian Minister for International Cooperation,

it was explicitly designed to build on JET-Ps, and is envisaged as a way for countries that do not rely on coal to access larger-scale financing in exchange for a raising of ambition to meet global climate goals (Lewis and Jessop, 2022).

The NWFE shares not only many of the features but also many of the same IPG donors as the JET-Ps. It has also faced similar coordination challenges, and the signing of the deal – like the JET-P agreements – was rushed for an announcement at COP27. The main differences are that the energy transition in Egypt is not centred on coal (although neither is the Senegal JET-P), and that the initial driving force for the agreement and the projects was a development bank, the EBRD. It is on track to achieve 20% of both the renewable energy and the decommissioning targets by the end of 2023.

NWFE is not officially a JET-P. But it shows that the aims and principles underpinning JET-Ps can be used in similar programmes. In the end the JET-P is a label. It represents a means of mobilising programmatic investment in a coordinated way from both domestic and international public and private financing partners, with the objective of meeting climate ambitions fairly. The structures and lessons of JET-P experience can be applied whatever the label used.

5 Conclusions

After the first swell of enthusiasm at COP26 and COP27, the progress of JET-Ps appears at first glance to be disappointing. Implementation has been slower than hoped, coordination and aligning interests have been challenging, coal plant closure has been more difficult than anticipated, the amount of finance pledged does not match the size of investment needed, and leverage from the private sector has proven difficult. Importantly, the ‘just’ element remains under-developed.

But it would be unfair to blame JET-Ps for all these difficulties, and premature to mark the partnerships a failure. Many of the problems are intrinsic to both climate finance and energy transitions more broadly; they are the subject of much broader efforts at reform of the MDBs and bilateral aid. There is a dearth of bankable energy transition projects almost everywhere, meaning that large sums of ‘sustainable private finance’ are still searching for places to land.

A more direct problem of the JET-P process has been the speed at which agreements were announced. The drive to achieve political agreements in time for significant events has left those whose job it is to implement the JET-Ps with a colossal task. Yet at the same time it seems unlikely that the plans would have been brought together so quickly without the political pressure of the agreement. So long as the secretariats and other actors involved can deliver on the transition without infringing on crucial aspects like justice, there is clearly some value in the political push that led to the JET-Ps.

These are valuable lessons for the future. Although in the short term there are unlikely to be many more JET-Ps in their current form, there is considerable scope for more MDB and DFI collaboration with national governments through country sector platforms for investment in just transitions. Some programmes – for example led by the Climate Investment Funds and the Asian Development Bank – are clearly about to take off.

Whether they are called JET-Ps or not, programmatic financing and sectoral country platforms offer the most effective means of supporting just climate transitions. There is now reason to believe that this is increasingly being recognised, not just by developing country governments, but also by the MDBs and donors committed to support them.

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